

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:2082
ANSWERED ON:30.11.2007
TUIRIAL HYDEL POWER PROJECT
Subba Shri Moni Kumar

Will the Minister of POWER be pleased to state:

- (a) whether Tuirial Hydel Power Project has been shut down;
- (b) if so, the details thereof along with the reasons therefor, and the estimated loss suffered therefrom;
- (c) the steps taken by the Government in this regard; and
- (d) the time by which the project is likely to become operational?

Answer

THE MINISTER OF POWER (SHRI SUSHILKUMAR SHINDE)

(a) to (d) : Yes, Sir. The works of the Tuirial Hydro Electric Project have been held up since June, 2004 due to deterioration of law and order at the project site arising out of the demand for payment of crop compensation on forest land and also due to substantial time and cost overruns on account of design changes. The cost of the project which was sanctioned at Rs.368.72 crores at June, 1997 Price Level has now gone upto Rs.687.80 crores at October, 2004 Price Level.

All efforts have been made by way of financial re-engineering to make the project viable with the sacrifices by various stake holders. A proposal for viability gap funding of the project was also sent to Department of Economic Affairs, Ministry of Finance. However, the proposal did not qualify for viability gap funding. Subsequently, Ministry of Power advised NEEPCO to explore the option of obtaining a grant funding of Rs.200 crores from DoNER. The same was discussed with DoNER in various meetings. Government of Mizoram was also requested to sacrifice their share of 12% free power or agree to purchase the entire power at the revised price.

The project can be expected to commence generation 3 years after the resumption of works.

Resumption of works would, however, depends upon a decision on continuation or otherwise of the project.